रजिस्ट्री सं. डी-(डीएन)-127 REGISTERED No. D-(DN)-127

भारत का राजपत्र
The Gazette of India

असाधारण
EXTRAORDINARY
भाग II—खण्ड 2
PART II—Section 2
प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं० 15] नई दिल्ली, मंगलवार, अप्रैल 21, 1987/वैशाख 1, 1909
No. 15] NEW DELHI, TUESDAY, APRIL 21, 1987/VAISAKHA 1, 1909

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके ।
Separate paging is given to this Part in order that it may be filed as a separate compilation

LOK SABHA

The following Bill was introduced in Lok Sabha on the 21st April, 1987:—

BILL NO. 9 OF 1987

A Bill further to amend the Food Corporations Act, 1964.

BE it enacted by Parliament in the Thirty-eighth Year of the Republic of India as follows:—

1. This Act may be called the Food Corporations (Amendment) Act, 1987. Short title.

2. In section 27 of the Food Corporations Act, 1964, for sub-section (*1*), the following sub-section shall be substituted, namely:— Amendment of Act 37 of 1964.

"(1) A Food Corporation may, for the purpose of carrying out its functions under this Act,—

(*a*) take advances against stocks of foodgrains or other foodstuffs held by it, or borrow money—

(*i*) from any scheduled bank, or

(*ii*) from any other bank or financial institution approved by the Central Government in this behalf, or

(*iii*) from any other authority, organisation or institution or from the public on such terms and conditions as may be approved by the Central Government; or

(b) issue and sell bonds and debentures carrying interest at such rates as may be fixed by the Central Government at the time the bonds or debentures are issued:

Provided that the amount borrowed by a Food Corporation under this sub-section shall not at any time exceed ten times the paid-up capital and the reserve fund established under section 33.".

STATEMENT OF OBJECTS AND REASONS

Section 27 of the Food Corporations Act, 1964, empowers the Food Corporation of India or a State Food Corporation established under the Act to take advances or borrow money from the Central Government or from any scheduled bank or from any other bank or financial institution approved by the Central Government in this behalf against stocks of foodgrains or other foodstuffs held by it for the purpose of carrying out its functions under the Act. The provisions of the Act do not permit a Food Corporation to borrow funds from other sources or to issue and sell bonds or debentures.

2. The Food Corporations do not generate any internal resources. They require funds both for working capital requirements as well as for investment purposes. At present, the funds are being provided by only the Government and the banking sector. It is proposed to diversify the sources of financing.

3. It is, therefore, proposed to amend section 27 of the Food Corporations Act, 1964 (37 of 1964) to enable a Food Corporation to raise funds, as and when required, for its operational as well as investment requirements by the issue of bonds and debentures and also by borrowings from the Central and State Government institutions or public sector enterprises or bodies or from public or corporate sector, on such terms and conditions as may be approved by the Central Government.

4. The Bill seeks to achieve the above objective.

H. K. L. BHAGAT.

NEW DELHI;
The 18th February, 1987.

FINANCIAL MEMORANDUM

Clause 2 of the Bill proposes to amend section 27 of the Food Corporations Act, 1964, so as to enable the Food Corporations established under the Act to raise funds by the issue of bonds and debentures and also by borrowings from the Central and State Government institutions or other organisations, institutions or from public on such terms and conditions as may be approved by the Central Government. The Central Government may give guarantee to such loans and advances taken and bonds and debentures issued by the Corporation. It is not possible to indicate the extent of borrowings that may be required by the Food Corporations as their need will vary from year to year. It is expected that, in the first year, the borrowings from the proposed sources may be around Rs. 200 crores.

2. The Bill does not involve any other expenditure either recurring or non-recurring.

SUBHASH C. KASHYAP,
Secretary-General.

PRINTED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, MINTO ROAD, NEW DELHI
AND PUBLISHED BY THE CONTROLLER OF PUBLICATIONS, DELHI, 1987